

[Shri B. R. Bhagat.]  
he can either co-ordinate himself, but as the whole House is aware, in a modern Government the Prime Minister . . .

SHRI BHUPESH GUPTA: On a point of order, Sir, the discussion has to end now. (*Interruptions.*) No, no, he cannot proceed.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Yes, I am looking at the clock.

SHRI BHUPESH GUPTA: No more today; tomorrow.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Bhagat, will you take more time?

SHRI BHUPESH GUPTA: He cannot get more time now.

SHRI B. R. BHAGAT: Five minutes more, Sir.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Let me exercise by discretion. I think we will continue this discussion tomorrow. Now 3 o'clock has been fixed for another motion. I now call upon Mr. Dahyabhai Patel to move his motion.

SHRI BHUPESH GUPTA: Before you take up the Motion, on a point of submission; now we are debating a statement given by the hon. Minister on the so-called people's car, but then we have not been given material information. For example, there is reference in the statement to an expert committee. . .

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Today's debate is for that information, the motion is to discuss that matter.

SHRI BHUPESH GUPTA: But the material information which is contained in a Report should have been made available to us already since, for example, in the statement there is reference to an Expert Committee. The Expert Committee submitted a Report and we

would like to have a copy of that report, or at least an idea as to what that Report contains. It is the Pande Committee Report. Why is that Report not being given? The Minister should have summarised the findings of the Pande Committee Report and placed it along with this statement before this House. That is a very material thing for discussion and consideration of the entire subject-matter.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Bhupesh Gupta, unless I put the motion before the House, you have nothing to consider. After the motion is moved and I place it before the House I will consider your point, and if I feel it necessary, I will call upon the Minister to answer you.

SHRI BHUPESH GUPTA: I am sure you will.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Now Mr. Dahyabhai Patel will move his motion.

#### MOTION RE STATEMENT ON MANUFACTURE OF A SMALL CAR

SHRI DAHYABHAI V. PATEL (Gujarat): Mr. Vice-Chairman, Sir, I beg to move:

"That the Statement regarding the manufacture of a small car, laid on the Table of the Rajya Sabha on the 10th August, 1962, be taken into consideration."

SHRI BHUPESH GUPTA (West Bengal): Now that has been disposed of. Now, Sir, I would like to know why that material, the Pande Committee Report is not before the House.

(*Interruptions.*)

SHRI DAHYABHAI V. PATEL: Sir, I am grateful to Government for agreeing to a discussion on this. I think Government have gone about the business in a very unbusinesslike manner. Five long years have been

lost; Government do not seem to be able to make up their mind as to what they want to do and what they do not want to do. There has been one Committee, then another Committee and I do not know what more is going on, but it is not much of a secret that the tussle between the two Ministries also was very largely responsible for the long delay that has taken place in this matter. The Defence Department wants to have a finger in every pie, sometimes the whole pie, on the other hand the Commerce Department has been looking at it from a purely commercial and industrial point of view, and Government have not been able to reconcile the two points of view within the Cabinet, or decide on the Government policy in this regard, and therefore, five long years have been lost. And what has happened in those five years? One of the most important things that have happened is that the prices of everything have gone up. I do not know whether Government are faced with that problem or not, but it is the next problem that is coming up before Government: the effect of this spiral of taxation. In every little bit that you do, except perhaps in breathing and drinking water, you have to pay out something to Government, and that puts up the prices. Therefore, all your contractors are going to charge you more; they are going to claim more. All industries are suffering and the Government's turn will also come when the contractors will say, "We made this contract three or four years ago when the prices were so much, when the labour was so much, and now the prices are going up, the costs are going up and we cannot manage at the old rates." So the greatest harm Government have done in this matter is the most apathetic and negligent manner in which they have gone about this business during which period prices have been soaring every day. I do not understand why so many Committees were necessary. We had one expert committee and I thought the report of that Committee should have been enough for the purposes of Government. And how are

these reports worked up, how are they managed, who are the people they have asked, whom do they enquire from? They make enquiries perhaps abroad.

THE MINISTER OF STEEL AND HEAVY INDUSTRIES (SHRI C SUBRAMANIAM): Which report would have been sufficient?

SHRI DAHYABHAI V PATEL: You have had two reports on the automobile industry. One *ad hoc* committee report you had. Then you had another report by some other experts—the Pande Committee Report. Why was so much time necessary for you to lose? Why were two reports necessary? Could not the terms of reference of one committee have been enough?

SHRI C SUBRAMANIAM: The hon. Member said that one report could have been sufficient. Which report will he be satisfied with?

SHRI DAHYABHAI V PATEL: The first report, the Jha Committee Report should have been enough if Government were serious about it.

SHRI BHUPESH GUPTA: I want the Pande Committee Report.

SHRI DAHYABHAI V PATEL: Sir, I am tired of these reports. They mean nothing on paper, it is waste of time and paper. You have one report and I want a little more action. Only reports are irritating; we lose time and in the meantime on account of the present policies of Government prices are going up. The Committee started with the idea of giving proposals for a car that would be cheap, that was supposed to be called a people's car. Perhaps the idea was borrowed from Hitler's idea of a people's car; it was a cheap car that was promised; the German name is *volkswagen*, and actually the car was being sold there at a cheap price. I do not know whether our Government had any ideas about it, but basically I think the Government do not understand the

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economics of motor-car manufacture. Basically the idea is that unless you manufacture 50,000 units of cars a year you cannot manufacture a motor-car cheaply. It is too deep a subject for you, my friend. It does not matter whether it is the private sector or the public sector, you cannot manufacture a car cheap unless the basic unit is 50,000.

SHRI K. SANTHANAM (Madras):  
500,000

SHRI DAHYABHAI V. PATEL:  
Our Government begin with 20,000..

SHRI BHUPESH GUPTA How many are the Hindustan Motors producing?

SHRI DAHYABHAI V. PATEL: Once you begin the production with 50,000 units then you can double it, to about 100,000 cars and then the price will come down by 25 per cent or 30 per cent, and if you are able to make more, the price will be still lower. Perhaps this country cannot consume 50,000 cars in a year. But we are talking of export promotion. And what are we doing about it? There is a hunger for cars in the whole world, particularly in the newly developing countries. Why cannot you think of manufacturing the car in sufficient numbers so that you cannot only meet the needs of this country but also export them?

SHRI K. SANTHANAM Incurring a loss of Rs. 5,000 on each car exported

SHRI DAHYABHAI V. PATEL The cost will not be more than Rs. 5,000. Of course, if it is exceeded, the Government might lose; it is likely. But what Government cannot manage, Government should entrust to people who know how to manage. I am not pleading for one manufacturer or another. I am not saying any such thing as some friends here are perhaps trying to make out. I am not talking either for the manufacturer

in Calcutta—the Hindustan Motors, or any other. Neither am I pleading for the manufacturers in Bombay or in the South. We have got three well established plants which are producing cars today; they are producing a small number of cars, and if a small car project means a fourth project or a fourth plant, economically it is going to hit the other three projects or plants, and is not going to be a success. I should think that Government would save a lot of foreign exchange if they tried to co-ordinate the project of the small car with one of the existing cars. That is a thing that can be examined by proper experts.

SHRI K. SANTHANAM: Again a new committee

SHRI DAHYABHAI V. PATEL: Not necessarily a big committee and not necessarily a big report like this. It is a very simple thing if friends take little interest. It did not need a long report, not even six months for the investigation. And what has been done in these two cases after so much of delay in years? People look round, people who are familiar with manufacturing automobiles in this country, people familiar with the trade and also the users. Sir, in this country we have got well established automobile associations. They do not represent any manufacturer, they represent the consumer, and they have been pleading for the convenience of the consumer and they render a lot of help to Government. But Government never asked these associations. Sometimes, when they make a lot of noise, just as a matter of a little favour or concession, they send a circular and ask them. That is not going to take you any further. But in this case I think the Government have lost the battle by losing time, and in the prevailing economic situation I do not know whether Government will be able to manufacture a small car. I am quite confident that any of the existing three manufacturers of cars in this country would be willing to take up

this project and they would do it much better, cheaper and more efficiently than the Government. There is no doubt about it.

**SHRI BHUPESH GUPTA:** For once the Swatantra Party and the Congress are agreeing.

**SHRI DAHYABHAI V. PATEL:** Mr. Vice-Chairman, there is a great need of motor cars in this country. The project is being postponed for some reason or the other and foreign cars are being imported. Which officer whom we see does not move about in a big car? This morning several Members of Parliament came and asked me to mention that whereas an officer gets a car very easily, Members of Parliament have to wait for months and months for priority for getting a car. If this is the condition of Members of Parliament who are supposed to get priority for their work to get a car released for them, what is happening to the man in the street, you can imagine.

**SHRI A. B. VAJPAYEE** (Uttar Pradesh): Congress Members do get it.

**SHRI N. SRI RAMA REDDY** (Mysore): The man in the street does not require a car.

**SHRI DAHYABHAI V. PATEL:** It is a matter of opinion, my dear friend I suggest you read some of the books of Mr. Henry Ford to know how he built a car. Mr. Henry Ford built a car with the idea of producing a cheap car. He went further. He wanted every one of us to own a car. He gave high wages and ultimately brought down the price of cars. That is what is required to be done in this country too. You are raising wages certainly because prices are going up, but the other thing that Mr. Henry Ford did you are not doing. You are not producing efficient workers. Produce efficient workers, make people work efficiently during the time they are working, pay them well and automatically things will go better. That is the principle on which

Mr. Henry Ford built up this industry. That is a shining example and on that principle America industrialised and made money. On the contrary, we are going about it the wrong way. In America they built the small car first and, as a corollary, came in the manufacture of trucks. Of course, the truck business is something much bigger than the manufacture of a small passenger car. The automobile industry depended primarily on the development of the passenger car and the truck manufacture came along with it, side by side.

Sir, I do not know what is happening in this country. Manufacturers apply for licences for manufacturing one thing and divert them for manufacturing some other thing. They obtain licences for manufacturing trucks and divert them for manufacturing something else which is more profitable. Is Government keeping an eye on this, may I ask? If the Government had kept their eyes open . . . (Interruptions). They know it. It is known everywhere in business and I am quite willing to supply them information. The Government do not have open eyes; otherwise they will, find out . . .

**SHRI C. SUBRAMANIAM:** The hon. Member is again recommending them for this car also.

**SHRI DAHYABHAI V. PATEL:** The hon. Minister, whenever it suits him misunderstands me. I am blaming the Government that is not managing things properly. I want the Government to entrust the people, who know how to manufacture cars, with the manufacture of cars and to restrict them from not producing anything else. That is where the Government has failed. Why blame anybody else, why blame the manufacturers for the failings of the Government? If the Government gave a licence for manufacturing a certain machinery "A" why did they allow them to manufacture another machinery "B"? The commodity for which a licence was

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issued must be manufactured or a satisfactory explanation must be asked as to why the manufacturer is manufacturing something else when there is dearth in this country for the commodity that he was asked to manufacture.

Sir, I notice in the note that has been circulated on this statement that the Government still talks in terms of manufacturing twenty thousand cars which can never be economical. A minimum economical unit for the manufacture of car is 50,000. Therefore, if we still think in terms of manufacturing 20,000 cars, you will never be able to make a cheap car.

Sir, I would in this connection like to draw the attention of the Government and the House to the offer of a Bombay manufacturer, who makes small cars, to reduce the price of the the Government still talks in terms given a little help on certain matters. He has made the offer publicly. This offer has been discussed in the meetings of the various development councils. I do not know what has happened to it. But the poor consumer does not see the price coming down. On the contrary, he sees it going higher and higher. Protracted negotiations are supposed to be going on with the Renault Corporation. The Government have given a word of praise to the Renault Corporation. I do not grudge it. Sir, I am sure the Renault Corporation was very, very generous and very patient with a Government that would sit on a project like this for 3½ years. For that the Corporation deserve all the praise that we can give them. But what is our Government's performance? What were they doing for all these 3½ years? Why did they go and talk to them if they could not make up their mind whether they were going to do it in the private sector or in the public sector where Mr. Krishna Menon was manufacturing toys in the Defence Department? The Government could not make up their mind. Public

money is being wasted indiscriminately. Prices are going up. This is a small car proposal and the way in which it has been handled in this country is a monument to the inefficiency of our Government.

Please note that there is a little reference that 11 per cent. of the factory production can be exported. I do not know the sources that provided these figures. But I am sure that if proper efforts are made to produce a proper car and to bring down the price, not 11 per cent. but 25 per cent. can be exported.

SHRI K. SANTHANAM: How can you produce it cheaper than America and export it?

SHRI DAHYABHAI V. PATEL: My dear friend, you are supposed to know the economics and finances of it. You do not understand the basic economics of motor car manufacturing. There are some simple text-books. Get them and read them. If you read these very simple text-books on the manufacture of motor cars, you will understand this very simple thing, namely, the difference that it makes to produce 50,000 cars as against producing only 20,000. If you ask real automobile manufacturers . . .

SHRI K. SANTHANAM: They are making five million cars, not 50,000.

SHRI DAHYABHAI V. PATEL: You do not understand this basic principle. Their car is cheaper because as the number of cars manufactured goes up, prices come down automatically.

(Interruptions.)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Patel, please go on.

श्री शीलभद्र याजी (बिहार) : मिस्ट वाइस चेयरमैन, ये कहाँ से कार मैन्युफैक्चरिंग की बात जानें, ये तो लाइफ इन्श्यरें की बात जानते हैं ।

**SHRI DAHYABHAI V. PATEL:** Mr. Vice-Chairman, we heard the Deputy Finance Minister just before we started on this subject about economics, imbalance, basic principles of economic policies, export promotion and so on. All these problems have been jumbled up and he made a complete mess of it so far as this car project is concerned. If they had tackled the problem properly and seriously, if the manufacture of the car had started in good time, this country would have had a small care of its own. It would have been able to export and help us to meet some of the imbalance in the matter of export and otherwise.

*The question was proposed.*

**THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN):** Mr. Bhupesh Gupta, your second amendment is inferential. So it goes.

**SHRI BHUPESH GUPTA:** Whatever you like. My speech is important. Sir, I move:

1. "That at the end of the Motion the following be added, namely:—

'and having considered the same, this House regrets that the implementation of the project for manufacture of small cars in the public sector should have been indefinitely deferred and indeed virtually given up.'"

3. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that the non-implementation of the Project would help the monopoly grip in the automobile industry to further grow.'"

4. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that the non-implementation of this Project does not take into account the need for bringing down the prices of cars and of meeting the requirements of people who are not in a position to buy the present highly priced cars such as produced by Hindustan Motors Premier Automobiles and Standard Motors.'"

5. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House cannot appreciate the economic arguments contained in the statement and is of the opinion that resources could be found through necessary adjustments and alternative arrangements.'"

6. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that while announcing the abandonment of this Project of small cars, Government has no policy to reduce the prices of the cars produced by Hindustan Motors, Premier Automobiles and Standard Motors, thereby controlling on the one hand high profits and on the other making these cars available to a larger section of the buyers.'"

7. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the

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opinion that the statement is not at all convincing and leaves considerable room for speculation and doubt as to the reasons for this negative decision on the part of Government."

8. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House regrets that the statement does not mention the various representations which have been made by the private sector in the automobile industry in our country with a view to securing the abandonment of this Project.'"

9. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that some of the economic and physical difficulties could be met easily by restricting production of high priced cars in our country by the existing undertakings in the private sector and by tapping further resources from the high profits that these concerns are making.'"

10. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that the statement overlooks the fact that the production of the automobiles in the private sector industries as at present also involves foreign exchange expenditure and that such foreign exchange expenditure could be

reduced in order to find resources for the implementation of the Project for the manufacture of small cars.'"

11. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that before postponement and abandonment of the projects in the public sector on account of foreign exchange shortages, efforts should be made by Government to reduce foreign exchange allocations for the private sector industries thus transferring such resources from the private sector quota to the public sector quota.'"

12. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that a joint committee of the members of both the Houses of Parliament should be appointed to examine and review the circumstances, the reasons and all other material factors that have led to the decision by Government to postpone indefinitely the implementation of the project for the manufacture of small car.'"

13. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House records its strong objection against the Ministry concerned for not taking proper action for the implementation of the project in time and allowing the whole thing to come to the present position.'"

14. "That at the end of the Motion, the following be added, namely:—

'and having considered the same, this House records its strong protest that the non-official members of Parliament belonging to both sides of the House were not consulted before the Government took its decision for postponement.'"

*The questions were proposed.*

**SHRI BHUPESH GUPTA:** Mr. Vice-Chairman, Sir, I rise to speak on this motion. Right at the beginning I must register my strong protest at the manner in which one good public sector project has been killed by this Government. I shall relate to this House the inner story of how this was done. We were getting information from time to time that powerful influences were at work to get this project of People's Car abandoned and we raised questions in this House and the other House to express our apprehensions and unfortunately, our apprehensions and the worst fears have come true. May I mention in this connection that the General Manager of the Birla's Hindustan Motor, Mr. Misra, wrote a letter to Mr. Pande, Chairman of the Expert Committee, when the matter was under investigation indirectly trying to impress on him that this project should not be supported? He took advantage of the fact that when Mr. Misra was a big shot in the Railway Board, Mr. Pande happened to be an Assistant Engineer in the Railways. The Government have acted in this matter in the interests of the Birlas and the automobile industry in the private sector and not at all in the interests of the nation. I propose to prove this before this House if the House will kindly bear with me. The statement that has been made here by the hon. Minister is wholly unsatisfactory and it is intended to cover up the scuttling of a public sector project which had the support of many right-thinking men on both sides of

the Houses of Parliament. Yet the material data in regard to this project have not been furnished to this House by the hon. Minister. I shall presently show how material information have been withheld in the statement that is before you. In the statement the Government suppressed a number of material facts, some of which I propose to reveal. They have suppressed the Expert Committee—the Pande Committee—Report. That will be proof that the Government have let down the country, although facts about this Report appeared in certain economic journals and everybody knows that the Development Council in charge of the automobiles under the Ministry of Commerce and Industry had supplied such information to the Birlas and others. If Mr. Birla had got the information, we too were not unaware of what was contained in the Pande Committee Report. If the Minister does not take the House into confidence, I would like, on this occasion, to take the House into confidence and tell the whole truth. The statement says that the Pande Committee submitted the Report in June or maybe the end of May but the Minister does not mention the fact that this Report was examined by a Committee of all the Secretaries of the Government including the Secretary of the Finance Ministry and of the Planning Commission. The matter was considered from all angles including that of foreign exchange. The Secretaries approved in June, 1961, maybe the beginning of July, the Pande Committee Report and supported the proposals there. Can the Minister, I ask, deny this? Will he reproduce the file in his possession? Is it not a fact that some of the files are there and now they are sought to be removed? After approval of the reports, the papers went to the Finance Ministry and the Planning Commission for their concurrence and for a note to be submitted to the Cabinet.

[THE DEPUTY CHAIRMAN in the Chair.]

I may inform you that the Finance Ministry gave concurrence and

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the Planning Commission said that it had no objection. Such was the final stage by July or the beginning of August, 1960. There the matter stood. Now we find that after concurrence was given, one year passed and this one year was a crucial year because considerable wire-pulling was done in order to sabotage the scheme and there is the answer to my hon friend's question as to why there was delay but the answer will not suit him. The monopoly class, specially the Hindustan Motors, saw to it that the scheme did not materialise. This is the position. No wonder then that after that, the Minister has made the statement in the two Houses. He and another Minister were entertained, I am told, by the monopolists at a dinner party in the Ashoka Hotel where pleasantries were exchanged—maybe it is not true, maybe it is true but entertainment goes on but that is an aside only. This inordinate delay has not yet been explained. After the final stage was reached at the Secretariat level, at the level of the Finance Ministry and the Planning Commission, why was there so much delay? Within this period, I might mention here that the automobile industry in the private sector, the Hindustan Motors in particular, took special care to see that the plan did not materialise. In this period again the election took place and handsome funds were given by the Hindustan Motors at least to the Congress Election Fund in West Bengal. I am told that the Standard also did the same. Mr. C. Subramaniam and Mr. T. T. Krishnamachari should be aware of this. Do not interrupt me.

SHRI C. D. PANDE (Uttar Pradesh): On a point of order. Some individuals are mentioned by him and Mr. Pande is one of them and I want to defend his honour. He had recommended the car to be in the public sector. Mr. Gupta says that because Sir, L. P. Misra was once the Chairman of the Railway Board and Mr. Pande happened to be junior, therefore, he did that. . .

THE DEPUTY CHAIRMAN: I cannot follow two people at the same time.

SHRI C. D. PANDE: Mr. Pande's Report said that the Dauphine car should be in the public sector.

SHRI BHUPESH GUPTA: This is what I said.

SHRI C. D. PANDE: Then what is the insinuation? Now you say the Minister did it. Who did it, Mr. Pande or the Minister or somebody else?

SHRI BHUPESH GUPTA: This is what I say. I say the Pande Committee recommended it.

SHRI C. D. PANDE: He says that because Mr. Pande was an Engineer under Sir L. P. Misra who is now working with the Birlas, therefore Mr. Pande did it.

(Interruptions)

SHRI BHUPESH GUPTA: How can I make the hon. Member understand? I say Mr. Pande recommended that it should be in the public sector. I demanded the Pande Committee Report to support this case. The hon. Member gets up absolutely irrelevantly to take away my time. I hope the hon. Member will hold his soul in patience.

THE DEPUTY CHAIRMAN: You better stick to the Report.

SHRI BHUPESH GUPTA: I am coming to the Report. This is a very material factor. It cannot be like that if the debate goes on like that. I shall refer to all the facts. Now I come to the Resolution of the Government of 6th September which announced that in case the Expert Committee considered the low-cost car feasible within the price range indicated above, the project would be undertaken in the public sector. The Expert Committee—please note it—found it feasible. The Government stood committed. This is what I say. They are violating that

commitment. On what ground is it being abandoned now? Mr. Subramaniam said something about the foreign exchange difficulty. Was the foreign exchange position particularly better than what it is to-day or in September, 1960 when the Government announced its decision or when the Pande Committee went into this matter? No, it was not materially better. Then is it not a fact that the Expert Committee went into this question of foreign exchange and the officials worked out the foreign exchange implications but all of them found it wise to have this project through and found it feasible. Moreover, Messrs. Renault of France offered to solve the foreign exchange problem in a b g way. Permit me to give the House some interesting information on the basis of the facts and figures of the Expert Committee and the official research. They know it as they have it in their files. Renault Dauphine was tested at Ahmednagar by the Ministry of Defence. It was found to be very satisfactory, economic and suitable in our conditions. It is a four-seater car with a weight of about 600 lbs., whereas a four-seater Standard and a Fiat have much larger weight. Dauphine is 1100 lbs., whereas Fiat is 1760 or 1780 lbs. Dauphine has a saving here in the weight, which means saving in steel of 600 lbs. or so. The price of the car would be Rs. 5,100 if the production is at the level of 50,000 and Rs. 6,000 if the production is at the level of 20,000, whereas the prices of the Standard and Fiat are twice as high as this. Here I want to straightway clear the point regarding foreign exchange. What was the foreign exchange implication? It was pointed out by Renaults that to reach the 20,000 level of production, the foreign exchange required was Rs. 7.1 crores and to reach 50,000 production the foreign exchange required was 9.88 crores. It was also pointed out that during the Third Plan the actual foreign exchange requirement would be only Rs. 4 crores, in view of the fact that only 10,000 cars would be produced in that particular period. What else did they say? They guaran-

teed 11 per cent. export. I hope the hon. Minister would be in possession of that letter from Renaults guaranteeing that they would buy to the extent of 11 per cent. of the total production, which means that in the course of 10 years, through such exports, the Government would be earning Rs. 18.7 crores. This is a very material information which the House should know. What does it mean? Also, let us remember that the foreign components would be sent here by them on credit for 15 years and payment would start only after 5 years. What does this mean? It means that in the course of 10 years, through export, the Government would be earning much foreign exchange in order to cover a good part of this foreign exchange expenditure. Official estimates found out that actually because of the promise given by the French Renault Company, the annual foreign exchange expenditure would be very small compared to the dimensions of the project. The outlay would be only Rs. 4 crores in foreign exchange. The total outlay would be greater. And within 18 months and not 20 years 20,000 cars would be produced out of which 11 per cent. would be sold out. Renaults made a firm commitment as far as the export is concerned.

I may here point out that as far as maintenance cost is concerned, the Third Plan provides Rs. 35 crores for maintenance of Hindustan Motors and the Standard Premier Automobiles. Under this scheme the government would be requiring foreign exchange for maintenance purposes only of the order of Rs. 1.5 crores. Then again Renault Company agreed to take payment through barter, by buying things from our country, in order to meet the foreign exchange difficulties of the Government.

So for this little money we would have got 30,000 cheap cars and after two years 50,000 cars at cheap prices. At the end of the Third Plan the production of Standard Motors would have increased by 2,500 only and for

[Shri Bhupesh Gupta.]

this they have sanctioned foreign exchange for the Standard Motors Company, of the order of Rs. 1.85 crores. The Hindustan Motors in this period would have increased car production only by 10,000 for which the Government have sanctioned foreign exchange to the Hindustan Motors, of the order of Rs. 10.55 crores. The Premier Automobiles would have increased their car production by only 6,000 by the Third Plan and yet foreign exchange of the order of Rs. 9 crores has been sanctioned for the Premier Automobiles. Compared with this the foreign exchange requirement of the new project with an initial capital outlay comes to only Rs. 4 crores and for maintenance only Rs. 1.5 crores for the entire Plan period. Now the picture is clear. Taking into account the guaranteed export, the foreign exchange requirement would be even less. And there was hope of negotiations reducing it still further. It may be asked: What is the guarantee that the cars would be exported? Well, these Renault Dauphine cars are very popular and I may inform the House that 50 per cent. of the 13 lakhs cars produced so far by Renaults have been exported. As much as 6,50,000 have been exported. In England many taxis are beginning to purchase this category of cars from the market. So we have a ready market, a free export market which could have been developed by the State on terms very favourable to it and the State sector could have developed this line of export market, apart from other things. But the Government have not gone in to it.

Moreover, the Renault Company did not have any objection to other sources of purchase of any quantity of capital goods provided they met the technical requirements. They said, "Buy them from anywhere you like, provided they meet the technical requirements." Over and above that, they offered barter and said, "All right. Do not pay us foreign exchange. We shall buy things from your country in order to meet the cost of things that we send

to you." They also said, "We shall start manufacture within 21 months of the availability of land and the assembling and sale of cars will start within 24 months, and in about 3 years the entire project would be indigenous." I may tell you that even now the Birlas cannot have the entire project indigenous. They claim that only 60 per cent. to 65 per cent. of their components are indigenous. The rest 35 to 40 per cent. are foreign components. But Renaults gave these assurances.

Here again I may point out that economically we could have gained for, if we had these cars, we could have sold them. The Jha Committee had said it and other committees also had said it. Calculations had been made by the Ministry that by the central excise duties and the central sales tax and so on, the Government would have earned at the rate of Rs. 1,000 per car or Rs. 2,32,00,000. If it was less and they earned only Rs. 500 per car, then the earning would be Rs. 1.22 crores. That the Government would have earned. Then the petrol consumption would have brought in additional excise revenue and then there was the excise duty on tyres and tubes and all this would have come to the State. So several crores could have been earned by the State by putting this project into operation. But they did not do so. Therefore, the economic arguments here are absolutely unacceptable. It only suits the Birlas to do this and they are now saying that they want diversification of the production, which only means that the small car would be killed, and my hon. friend over there has pleaded for this. That is the first point. Secondly, they say that if they increase the indigenous components of their cars, then the prices should be raised. Now, as you know, the Birlas are making large profits. In 1957-58, the Hindustan Motors made a profit of Rs. 11 lakhs. In 1960-61 their profits came to Rs. 2,49,73,000. So the monopoly has to be maintained and, therefore, with that ruthlessness and cynicism that the monopolist class is capable of, they saw to it that a good

project in the public sector which had the support of all the Secretaries, and the expert committees, including the Pande Committee, was scuttled. Somebody in the Government should be responsible for it. We do not know how these things have happened in this manner.

Then again I may inform the House here that it was said that steel and other things were not available. If we had this project, then we would have had smaller cars where the steel consumption is less, whereas in the Hindustan Motors, in the Ambassador or in the Premier Automobile's Fiat Standard and so on, the steel consumption is higher. For instance, on each of these cars of the Dauphine model produced here, we would have saved compared to Fiat, 600 lbs of steel. You can imagine by producing 20,000 such cars and reducing the consumption of steel in such cars as Fiat, Ambassador and so on, how much steel in the country could have been saved.

(Time bell rings)

These are some of the important facts and these things the hon Minister should have told the House. Therefore, I say that it is not right for the hon Minister to make a statement and get away with it. I am in possession of the facts and I can tell you when Shri Lal Bahadur Shastri signed this document. I can tell you when these things were gone into by the Secretaries and by the various other officials, experts of the Government, apart from the other expert committee. There was complete unanimity. If ever there was unanimity on any subject, there was on this and this project should have gone through. The French people wanted to give this deal to India, apart from other considerations, as a sort of gesture to our country. As you know, they had their own difficulties in France and yet they did it, and what is more, it was to be in the public sector. Now, when the hon Minister makes the statement, he does not tell us whether they stand by the Government decision of September, 1960, that

if ever the small cars were to be produced, they would be produced in the public sector. This is point number one. The second point they do not make clear is, whether they accept the conclusions of the Pande Committee. I can tell you that I would not have made this speech if the Pande Committee Report had not been made available. I have seen various chapters and so on of the Report. They make out an absolutely foolproof and strong case for implementing this project. They are now using this excuse of the scarcity of foreign exchange to scuttle this project. They had been waiting for an opportunity to scrap this project and this is what has been done, and I say this is what has been done. Everyone who works in the Government departments in the Secretariat, in the Ministries concerned, people who are intelligible they know how things have moved, how the files have moved, how influences have been at work in order to see that no matter what happens, this project is scrapped.

THE DEPUTY CHAIRMAN Mr. Bhupesh Gupta, please wind up. You have taken more than twenty minutes.

SHRI BHUPESH GUPTA I would ask the House to consider this matter. This is not a party question at all. Government itself took the decision. The Jha Committee made the recommendations and Government approved of its recommendations. Things moved very quickly and then Government left the matter to an expert committee to go into the financial and other implications, the feasibility and so on. This expert committee whole-heartedly supported the idea and buttressed the whole thing and then again the matter was reviewed by the Secretaries, in the Planning Commission and in the Finance Ministry and again this question was supported. Then, for one year, somebody sat on it and now the country's interests have been let down. This is how monopoly interests are served and this is how the good decisions of the Government are scuttled and violated. I would ask the hon Minister to deny these things. Let

[Shri Bhupesh Gupta.]

him tell us something about the Secretaries' report or must I produce these some day, the report, the notings? Let him deny about the concurrence of the note to be sent to the Cabinet. I am told even the Cabinet was divided over it. I would like to know. I would not go into all that because that is their Cabinet affair. If he denies it, then I would like to know if any Minister of the Government would resign if I produce documentary evidence to show how things moved, how things had moved in the manner in which I have indicated before this House. I would appeal to the hon. Minister . . .

SHRI AKBAR ALI KHAN (Andhra Pradesh): How did he get the documentary evidence?

SHRI BHUPESH GUPTA: I got it through Mr. Akbar Ali Khan. That is not the point. Why aren't you asking him to produce them? Why must you always rely on the Opposition to tell you about the Commerce and Industry Ministry's note, to tell you about the Secretaries' meeting, to tell you about the figures that had been worked out by the officers of the Government themselves? Nothing has been done by us whatever.

THE DEPUTY CHAIRMAN There are ten other speakers.

SHRI BHUPESH GUPTA: Whatever I have stated before the House, I have stated on the basis of the official facts and figures. I charge the Government with the betrayal of the interests of the country, I charge the Government with this act of violation of its own good decision which was announced in September, 1960, I charge the Government with disregarding the recommendation of the expert committee. I charge the Government with helping in this manner the monopolist interests to grow in the automobile industry and leaving it entirely in their hands. A warning has been struck because the plan now is that this has been dropped, for them to get this thing. Therefore, I want the House to

be vigilant in this matter. The Birlas would get a licence to produce the people's car and then they will try to increase the price. The price of the existing cars should be brought down and the Birlas and other industrialists should not be allowed to manufacture the people's car. It should be manufactured only in the public sector as per the decision of the Government of India of September, 1960.

THE DEPUTY CHAIRMAN: Yes, Mr. Santhanam. Please restrict yourself to the time-limit.

SHRI K. SANTHANAM: I rise to support whole-heartedly the decision of the Government to drop this project not because the people's car should be produced by the private and not the public sector—as my hon. friend, Mr. Dahyabhai Patel suggests—but because of the fact that the country does not need twenty thousand more cars. With the present production of twenty thousand cars, the rich people of India have got enough and I do not want to pamper them any further. Madam, one of the greatest defects of Indian planning has been that the Government has been so weak as not to be able to refuse its consent for unnecessary and low-priority undertakings. Therefore, I congratulate them that at least for once they have plucked courage to say that this is not an essential undertaking, that this is a low-priority undertaking and so we shall not proceed with it.

SHRI BHUPESH GUPTA: How is the Hindustan Motors allowed to expand and produce more cars?

SHRI K. SANTHANAM: The present production of all the three concerns is twenty thousand cars and if you produce twenty thousand more cars, who are the people who will use them? One possibility is that the existing people should give up their present cars and go in for the people's car. It is not possible because the people who buy the present cars are in the income range of thousand or more rupees and they are not satisfied

with the comforts of the existing cars and they are not likely to go in for a car in which the comforts will be much less. Therefore, a new market must be found in the income group of five hundred rupees to thousand rupees. What will be the position if such a market is found? We want this group belonging to the middle classes and which is today free from the burden of a motor car to spend two hundred to three hundred rupees per month. Even a people's car, allowing for depreciation, will cost you not less than two hundred rupees a month. You want them to spend that money and while on the one hand you call upon all our people to be austere, to save as much as possible, you want these poor people, people belonging to the middle classes and who are in the fringe of the upper middle classes to go in for motor cars instead of travelling in a public bus or taxi or scooters. That is the real issue. If you say that it is worthwhile inducing these people to go in for motor cars, then I am willing to agree with much of the argument of my friend, Mr. Bhupesh Gupta but today I think a private car is a great dividing line between the classes. There are in India four lakhs of families who own cars and seven crores and ninety-six lakh households do not own cars. I say that nobody in India should be allowed a private car unless he is a doctor or somebody who has to be always on the move. For most of the people, for most of the four lakhs of families who own motor cars today, it is more a symbol of vanity and incidentally it causes national wastage of great dimensions.

SHRI AKBAR ALI KHAN: That is the principle followed in socialist countries.

SHRI K. SANTHANAM: I believe in socialism and that is why I am speaking like that.

SHRI BHUPESH GUPTA: A sum of thirty-five crores of rupees has been

sanctioned in the Third Plan for the private sector.

SHRI K. SANTHANAM: I am coming to that presently. Even on the existing production, I do suggest to the Minister that preference should be given to taxis and not to private people buying cars because a taxi means public service at least ten times more than a private car which is used more for snobbery, which is used for half an hour a day or one hour a day and employs a driver who does no work whatsoever. A taxi, on the other hand, can relieve the difficult transport situation especially in peak hours in all the metropolitan cities. Therefore, we should go in only for taxis so far as passenger cars are concerned and as the Report rightly says all our stress should be for public commercial vehicles. It is only they that ought to be supported. I entirely agree that from the beginning the automobile policy of the Government of India has been a terrible mistake. They knew that under modern conditions only very big units can survive and produce cars at economic rates. The minimum is not 20,000 or 50,000. I say 200,000 is needed; at least 100,000 is needed. Therefore, if we wanted motor cars to be manufactured in this country, there was scope only for a single concern which will produce passenger cars, trucks, lorries and everything and certainly I would have supported the proposal that it should have been in the public sector. Of course, the Government acceded to the pull of vested interests and spent a lot of national money and established three concerns. All the foreign exchange which has been wasted in these three concerns is a national waste. Though they may be in the private sector, they are already invested and they are producing as many cars as, I believe, the country is in a position to consume. Therefore, will it not be a criminal national waste to go in again for another venture, produce 20,000 cars and then try to give hire-purchase facilities or loans to poor Government servants and others with Rs. 500/- or Rs. 600/- a month to buy those cars because

[Shri K. Santhanam.] otherwise that public undertaking would not be able to sell the cars. The Government would have been caught in a false and vicious circle. Therefore, I am glad that the Government has come to this decision and I presume that that decision could not have been come to unless the new Minister also agreed with it. Generally, a Cabinet decision is not taken against the wishes of the Minister in charge. So I have the greatest pleasure in congratulating Shri C. Subramaniam for taking a prompt decision so soon after taking charge and I hope he will bring the same courage and wisdom to bear on all his other decisions.

SHRI BHUPESH GUPTA: That is home town affection.

SHRI K. SANTHANAM: The present manufacturers should be forced to reduce prices. There should be an injunction on them that every year from next year they should reduce the price by Rs. 500/- till they come down to Rs. 8,000 or Rs. 7,000. According to the statement with the level of production at 20,000 cars the ex-factory price would have been Rs. 6,150; add Rs. 1,000 for excise and add the sales charges and it could have been sold only at Rs. 8,000 and not Rs. 5,000 or Rs. 6,000. Do you object to my calculation?

SHRI BHUPESH GUPTA: It depends on what excise you put on it.

SHRI K. SANTHANAM: That is to say, in order to sell the car you must lose the excise duty which you are collecting from the private companies. I think that will be bad public finance. Therefore, the decision that has been taken is correct but the subsequent decisions should also be correct. The present manufacturers should be allowed and encouraged to increase their production slowly, not fast because the country should not be allowed to consume too many cars. It is wrong for the country to go in for far too many cars and the price should be reduced systematically by Rs. 500 every year so that the present Ambassador will be able to sell at Rs. 8,000

or Rs. 7,000 and the Standard will come down to Rs. 6,000 or Rs. 7,000. That is our ambition. Instead of utilising the existing resources and achieving our end, it would have been a fatal mistake to get caught in a futile undertaking which would have been uneconomic from the beginning because 20,000 cars could not have been marketed. We would have had to reduce production with the result that because the production is reduced, the cost would have gone up and we would have had to pay Rs. 8,000 or Rs. 9,000. The price of cars in other countries is just half the price in our country. Therefore, it is not because the cars are costly—that the prices are high—but because of the smallness of production and because of the grave mistake which the Government committed of distributing production among three concerns separately in three parts of the country. If the existing manufacturers refuse to reduce prices then the Government should make up their mind to take over all these three concerns as a public undertaking, so that they can divide the labour between these three concerns and produce the most economical car possible.

Thank you, Madam.

PROF. A. R. WADIA (Nominated): Madam Deputy Chairman, I have read the hon. Minister's statement with very great care, but I regret to say that it is one of the weakest documents that any Government could have produced. I think it proceeds on the plausibility that the small cars may not have priority under modern conditions, under present-day conditions and that there is lack of financial resources. These are pleas, which unfortunately will not carry conviction because it is a known thing that small cars are in great demand in spite of whatever Mr. Santhanam might say. The real reason is that the Government does not want to support small cars in the interests of certain capitalists and I think that that charge has been very factually made out by my friend, Mr. Bhupesh Gupta. It is very unfortunate that this suspi-

cion has been in the air for a number of years and now this suspicion has been fully confirmed by the action of the Government. Mr. Santhanam has proceeded on the assumption that cars are a luxury. I think it is difficult to say that cars are a luxury under modern conditions.

SHRI DAHYABHAI V. PATEL: He said they were a symbol of vanity.

PROF. A. R. WADIA: As a matter of fact, Mr. Santhanam should understand that the cars today are ridiculously costly. A very good car which we could have got 30 years ago for Rs. 3,000/- now costs Rs. 20,000/- or a little more and the surprise is that people can be found to buy these cars at these prices.

SHRI K. SANTHANAM: Why do they buy?

PROF. A. R. WADIA: Because they need it for business purposes.

SHRI K. SANTHANAM: Ninety-nine per cent. of the Indian people are getting on without cars.

PROF. A. R. WADIA: That may be; but it does not mean that people who want it should not use it.

(Interruptions)

SHRI DAHYABHAI V. PATEL: You want the rest also to do so.

PROF. A. R. WADIA: It is not a question of prominence of the people if you put it that way. Anyway the very fact that people buy cars at these high prices shows that they need them. I do not know where the money comes from; I really envy these people but the fact remains that if you want to go in for a car you have got to wait for a long time; there is an extraordinarily large waiting list. You cannot get a car for months and years. And this very fact goes to show that there is real demand for cars.

I think there was another confusion in the argument of Mr. Santhanam. He was all the time confusing between

private cars and small cars thinking that small cars can only be used for private purposes. What is there to prevent small cars being used as taxis? More and more taxis can be put on the road.

SHRI K. SANTHANAM: I was never under any confusion. I was also saying that these small cars should be turned over as taxis.

SHRI BHUPESH GUPTA: Madam, people under confusion generally do not understand that they are under confusion.

THE DEPUTY CHAIRMAN: Prof. Wadia is clearing up the issue now.

4 P.M.

PROF. A. R. WADIA: Madam Deputy Chairman, I am not particularly interested as to who sponsors the production of small cars. If the Government does it, if the public sector does it, well and good. All my sympathies are with them. But if for one reason or another the Government does not want to sponsor it as a public sector project, I certainly shall not agree with Mr. Bhupesh Gupta that nobody else should do it. If the private sector can produce a car which meets the needs of the country, there is no reason why the private sector should be prevented from doing it. When the private sector is allowed to function in so many other directions, it is a matter of pure economy if it can be encouraged to meet our needs. I speak on behalf of the very large class not of the wealthy people, who can easily afford to spend thousands on cars, nor am I speaking on the present occasion for the millions who unfortunately cannot afford a car, but for those who need a car and cannot afford to spend thousands and thousands on it. I think that is the sort of people whose needs have to be listened to. One great unfortunate fact in the economy of India today is that the middle-classes are being crushed. There is at least no spokesman for them. Either one has to be very rich or very poor.

[Prof. A. R. Wadia.]

But I think the middle-classes have a right to exist. They fulfil a necessary need in the economy of every country and India particularly and it is for that reason that I strongly support the motion and deplore the attitude of the Government in the matter.

श्री विमलकुमार मन्नालालजी चौरङ्गिया (मध्य प्रदेश) : उपसभापति महोदया, यह जो शासन द्वारा स्टेटमेंट दिया गया है उसको देखकर कुछ ऐसा लगता है कि अगर इस स्टेटमेंट को पूरा पढ़ा जाय तो हमारे शासन को क्या विचित्र स्थिति है—उसका स्पष्टीकरण हो जाता है। सारे स्टेटमेंट को देखने पर ऐसा लगता है कि हमारे शासन के दिमाग में बड़ा भारी योजना थी कि हम “जनता कार” निकालेंगे और जनता का बड़ा हित करेंगे। इस चंज के लिए सरकार की ओर से एक कमेटी बैठाई गई और उसने काफी रुपया इस चंज की जांच करने पर खर्च किया। इसके बाद फिर दूसरी कमेटी बैठाई गई और उसने भी काफी रुपया जांच करने पर खर्च किया और आखिर में जो नतीजा निकला वह आपके सामने है। यह तो ऐसी ही कहावत हुई “खोदा पहाड़ निकलो चुहिया”। लेकिन यहां तो चुहिया तक नहीं निकली। इस तरह से अगर सारी रिपोर्ट को देखा जाय और उसमें जो दलील दी गई हैं कि हमारे पास मुद्रा की कमी है, ट्रान्सपोर्ट की फैसिलिटी नहीं है बिजली नहीं है। ये ऐसी निराधार दलील दी गई हैं जिनका कोई अस्तित्व नहीं है। मैं उन लोगों में से नहीं हूँ जो कि सरकार जनता कार नहीं बनाती तो आसू बहाये, और हमारे यहां जो यह दलील दी जाती है कि जनता कार की हमारे देश में बहुत सख्त जरूरत है, इस बात से मैं सहमत नहीं हूँ और न मुझे इस तरह की जरूरत ही दिखाई देती है। अगर हमारे देश में इन्कम टैक्स देने वालों को देखा जाय तो ऐसे लोगों की संख्या बहुत कम है जो इस तरह की कार खरीद सकते हों। मुझे दुख के साथ कहना पड़ता है कि बहुत कम

ऐसे लोग हैं जो जनता कार के पीछे पड़ने वाले हैं। यह तो फिर भी गरीबों का ही खिलौना रहेगा। हमारे देश में तो ज्यादातर संख्या उन लोगों की है जो साइकिल चलाते हैं, अगर ज्यादा पैसा मिला तो स्कूटर ले लिया। हमारे कुछ लोग ऐसे हैं जो बसेज में बैठकर अपना यात्रा का साधन पूरा कर लेते हैं। हमारे यहां ऐसे लोगों की संख्या बहुत कम है, शहरों में जरूर कुछ होगी जो जिनती के हैं जिन्हें यात्रा के साधन के लिए कार की आवश्यकता होती हो। इसके बारे में जो दूसरा सुझाव दिया गया है, मैं उसकी भी चर्चा करूंगा। हमारी सरकार ने एक प्वाइन्ट के ऊपर आशा का रिरेमिड बनाने का प्रयत्न किया और फिर उस रिरेमिड को एकदम नीचे गिरा दिया। इस तरह की शासन की जो नीति है वह बिल्कुल गलत है। मेरा शासन से यह निवेदन है कि उसने निराधार आधार ढूँढ कर इस तरह का रिपोर्ट है जैसे मक्खी का मलमल करके भैंसा बनाने का प्रयत्न किया जाता है, वैसा किया गया और फिर मक्खी बना दिया। सरकार ने तो इस तरह की बातें की जैसे मदारों किसी चंज का पौधे के द्वारा पहले जनता के सामने रखता है और फिर थोड़ा देर में उसको गायब कर देता है। यह रिपोर्ट भी वैसा ही लगता है। शासन ने पहले तो जनता कार के बारे में बड़ा बड़ा बाते बहोती कि इतने रुपये में जनता को कार उपलब्ध हो जायेगी और उसके लिये कई कमेटियां भी बनाई और आज वह सारा चंज मदारों के पौधे की तरह खत्म हो गई है। मैं शासन से निवेदन करूंगा कि वह जनता के धन का इस तरह से दुरुपयोग न करे। यह जनता कार आपका गई, इतना रुपया आपने इसमें खर्च कर दिया और अब कृपा करके इस देश में जो ४४ करोड़ जनता है और जिसमें अधिक से अधिक जनता यह चाहती है कि हमें सस्ती साइकिल मिले जो कि उसे नहीं मिल रहा है। आज हम देखते

हैं कि ज. साइकिल जनता को ७०-८० रुपये में मिलनी चाहिए थी वहीं साइकिल आज १५०, २०० और २५० रुपये में मिलती है। अगर शासन की ओर से इस बात का प्रयत्न किया जायेगा कि जनता को सस्ती साइकिल मिले तो जनता का बड़ा हित होगा। अगर उन्हें सस्ती साइकिल प्राप्त होगी तो हमारा किसान भी खेतों पर साइकिल पर जायेगा और अपना दूध साइकिल पर लाद कर बेचने के लिये जायेगा। अगर शासन इस तरह का साधन उपलब्ध कर सकेगा तो ज्यादा अच्छा होगा। जनता को इस बात से कोई मतलब नहीं है कि आप जनता कार बनाते हैं या नहीं। उसका तो सस्ते साधन से मतलब है। इस देश में ज्यादातर जनता साइकिल द्वारा अपने यातायात का साधन पूरा करती है और इसके लिये दूसरा स्टेप आप यह ले सकते हैं कि सस्ती स्कूटर निकालें। जिससे आफिस जाने वाले क्लर्क तथा छोटे कर्मचारी उसका इस्तेमाल कर सकें। उसकी आप इतना सस्ता बनायें कि वे एफ ड कर सकें और उसको उपयोग में ला सकें। अक्सर यह देखने में आता है कि सरकारों कर्मचारी जो आफिस जाते हैं उन्हें दफ्तर जाने के लिये मॉटर पर निर्भर करना पड़ता है। जब वे बस बना कर डेढ़ घंटे तक खड़े रहते हैं और उन्हें कोई बस उपलब्ध नहीं होती तो वे वहाँ पर यह विचार करते हैं कि अगर हमारे पास सस्ती कार होती तो ज्यादा अच्छा होता, इतनी देर तक तो यहाँ पर लाइन बना कर खड़ा नहीं होना पड़ता। बसों की अच्छी व्यवस्था न होने के कारण और डेढ़ डेढ़ घंटे तक लाइन में खड़े रहने से वे लोग यह सोचने के लिये मजबूर होते हैं कि अगर कार खरीद ली जाती तो इतना कष्ट उठाना नहीं पड़ता। इसलिए यह अत्यन्त आवश्यक है कि इस समय हमारे देश में ज. कारें बनाई जाती हैं उनकी निर्माण शक्ति में वृद्धि की जानी चाहिये तथा वे

सस्ती बनाई जावे ताकि ज्यादा से ज्यादा कारों का उत्पादन हो सके।

अब एक प्रश्न हमारे सामने बहुत बड़ा आता है और वह है निर्माण का। हमारे देश में तीन चार किस्म के कारे कुछ कंपनियों द्वारा तैयार की जाते हैं उनकी कीमत बहुत अधिक है। यह भी निर्विवाद है कि ये कंपनियाँ अधिक से अधिक मुनाफा उठा रही हैं। हमारी सरकार सब चीजों पर नियंत्रण करना चाहती है इसलिये उनका यह कर्तव्य है कि वह इन कंपनियों की आमदनी और मुनाफे पर भी नियंत्रण करे। इस समय हमारे देश में तीन तरह की कारें बनाई जाती हैं। एक तो अम्बेसेडर कार है, दूसरी फीयट है और तीसरी स्टैन्डर्ड है। सरकार को इन कंपनियों को इस तरह का सुझाव देना चाहिये कि वे इस तरह की कारें बनाने का प्रयास करें जो जनता कार से भी सस्ती पड़ सके। अभी तो यह कहा जाता है कि जनता कार के पांच हजार रुपये में उपलब्ध कर देंगे। लेकिन जैसा हमारे मित्र श्री सन्तानम ने कहा कि इतने दामों वाली कार हमारे देश में बनने वाली नहीं है, मैं उनकी इस बात से बिल्कुल सहमत हूँ। सरकार के इतने काम होते हैं उनमें यह देखा जाता है कि बाद में उनकी कीमत बढ़ जाती है। सरकार के हर काम में मङ्गाई का प्रवेश होता है और दूसरा काम नहीं होता है। अब उससे यह पूछा जायेगा कि इसका कीमत तो आपने इतनी रखी थी और पाँच हजार क्यों हो गई, तो वह जवाब देगा कि हमने तो पाँच हजार में यह कार बनाने का योना बनाई था लेकिन स्टील के महंगे होने से, म. दूरों की मजदूरी ज्यादा बढ़ जाने से इसके दाम आठ हजार हो गये हैं। सरकार के इतने काम होने हैं वे अक्सर गड़बड़ के होते हैं इसके एक नहीं, अनेक उदाहरण दिये जा सकते हैं।

[श्री विमलकुमार मन्नालालजी चौरडिया]

हमें इस समय यह सोचना चाहिए कि इस जनता कार से जनता की कितनी भलाई हो सकती है और जनता को ज्यादा से ज्यादा लाभ किस चीज से पहुंच सकता है। हमें जनता की दृष्टि से इस बात पर सोचना पड़ता है कि उसके लिये कौन सी चीज लाभदायक होगी। तो हम इस नतीजे पर पहुंचते हैं कि जनता को अगर सब से अधिक किसी चीज से लाभ पहुंच सकता है तो वह साइकिल है और अधिक से अधिक सस्ती साइकिलों का प्रोडक्शन किया जाना चाहिये। इसके बाद स्कूटरों का ज्यादा से ज्यादा और सस्ते दामों पर प्रोडक्शन किया जाना चाहिये। तीसरे नम्बर पर कारें आती हैं, इसके बारे में मेरा सरकार से यह निवेदन है कि वह उन कम्पनियों से कहे कि वे अपने मुनाफे पर नियंत्रण रखें। ये लोग सीधे ढंग से नियंत्रण पर नहीं आते हैं और जब तक सरकार इनके ऊपर अंकुश नहीं लगायेगी तब तक इस देश में सस्ती कारों का निर्माण नहीं हो सकता है। अगर सरकार इस चीज को उनसे करा सकती है तो अच्छा है, अन्यथा इस तरह की कारों का हमारे देश को आवश्यकता नहीं है। मेरा सरकार से यह निवेदन है कि वह जो इस तरह का तमाशा करना चाहती है कि हम बड़ी बड़ी चीजें बना देंगे, यह होगा, वह होगा, इस तरह की बात उसे नहीं करनी चाहिये। उसे इस तरह की बातों में जनता का लाखों रुपया बरबाद नहीं करना चाहिये। इस काम के लिये पहले कमेटी बनाई गई और उमने सारे विश्व का भ्रमण किया और अपनी रिपोर्ट दी। इसके बाद फिर दूसरी कमेटी बनाई गई, उसने भी सारे विश्व का भ्रमण किया और अपनी रिपोर्ट सरकार को दे दी। पहले योजना आयोग के साथ एक कार्यक्रम बनाया जाता है और उसमें लाखों रुपया खर्च किया जाता है। जब उस काम को पूरा करने का समय आता है तो योजना आयोग द्वारा यह कह दिया जाता है कि हमारे पास पैसा नहीं है और आयोग अपना योगदान

देने से इंकार कर देता है। योजना आयोग की क्या माया है, मैं इस बात पर अधिक नहीं कहना चाहता हूं। मगर इस तरह की बात अच्छी नहीं लगती है और न ही यह हमारे देश की प्रतिष्ठा के अनुकूल ही है। इसलिये मेरा शासन से निवेदन है कि वह इस तरह का तमाशा न दिखलाये और मैंने इस सम्बन्ध में जो-जो सुझाव दिये हैं उन्हें कार्यान्वित करने का कष्ट करें।

SHRI SANTOKH SINGH (Delhi):  
Madam Deputy Chairman, I rise to make a few observations on the statement regarding the manufacture of a small car. Certainly it would have been an achievement if we were enabled to get a car in collaboration with the well known Renault Corporation in France at the price mentioned of Rs. 5,100. This would have introduced a sort of competition among the present manufacturers of cars like the Standard Motors, Premier Automobiles and the Hindustan Motors. Surely it would have brought down the cost of manufacture. It would have certainly added to the quality of the cars and also it would have improved upon the workmanship of these cars. For example, it is said that the quality of some of the Indian cars is not so very well up and especially so when we have only very recently seen the cars from abroad which are almost without any defect. So people remember those cars. Maybe, we require to have some patience and tolerance towards the manufacturers, and the manufacturers also do require some time to improve upon their qualities. But, Madam, there is a limit to the patience and tolerance on the part of the public also. It is also heard that if the dealers who go to lift these cars object to the quality of the cars, they are told to take away the cars without grumbling and that otherwise their names will be blacklisted. I am reminded of my experience only a month back when I was in Russia. Some friends told me that when shoes

come to the Departmental Stores of the Government, people there stand in queues and they are asked to take away their respective pair of shoes without testing them whether they fit them or not. On going home if they find that they are too tight, they might have to cut their fingers off the feet, and if they are too big, they have to place something behind the heels. I do not want that in India we should compel our people to use bad quality cars.

Madam, since I wanted to speak in this august House today, I myself drove a Vanguard in the morning and between 1 and 2, I drove a Fiat, and then while coming again to Parliament I came in an Ambassador.

SHRI BHUPESH GUPTA: You have got three cars?

SHRI SANTOKH SINGH: I managed to drive these three cars. Of course, we are six brothers, we are in a socialist pattern of society, six brothers and six cars. I think Mr. Bhupesh Gupta will now be thoroughly satisfied. I have got another example of Russia also. While talking about the quality, as a manufacturer I could say that if quality is to be improved upon in due course of time, certainly we should have patience towards the present manufacturers. Now in support of my statement I would quote another example of Russia. I went to an Export and Import Agency office there and asked them, "Well, how many cars have you got in your department?" They said, "Previously every officer had a car, but now we have withdrawn about 150 cars from them because certainly people should move about in the public buses and tramcars, and it is a luxury to have a car for everybody." I do not want to go after the Russian pattern nor do I want that we should follow the pattern of the U.S.A. But certainly I am of the opinion that we have these three manufacturing units in India and we should depend upon them, and to have further units certainly I would

say, in the words of Mr. Santhanam, is a luxury.

SHRI BHUPESH GUPTA: But you want six cars.

SHRI SANTOKH SINGH: I have now a proposal to make. For about half a century cars are being produced all over the world. We should try to have them without any foreign collaboration, we should try to produce them. That is why I said that we should not have any foreign cars, but if we can have cars without any foreign collaboration, I would welcome that. Let us take the pattern of bicycles. The spare-parts are being manufactured all over the country, in every nook and corner of the country. These components are brought together in some assembly houses and the cycles are manufactured. Similarly I would like that these cars should be fabricated from various components manufactured all over the country, whether it is in the public sector or in the private sector, and we should assemble these cars in India without any foreign collaboration. We have been doing so for a long period. I could quote the example of Japan and say that the Japanese import machinery only once, and then they copy it out. Why should we be unable to manufacture a car without any foreign collaboration? So, it is my proposal to manufacture the small car without any foreign collaboration in India.

THE DEPUTY CHAIRMAN: Mr. Subramaniam, how much time would you need?

SHRI C. SUBRAMANIAM: Half an hour.

THE DEPUTY CHAIRMAN: Mr. Dave.

SHRI ROHIT M. DAVE (Gujarat): Madam, the problem which we are discussing today is a classic example of procrastination, vacillation and bad planning on the part of the Government. The Government ought to have

[Shri Rohit M. Dave.]

realised that for some time now there is a tremendous demand in the country for the manufacture of small cars in the public sector, because existing automobile units have failed to meet the needs of the people. Whatever may be the reasons—it may be a question of the automobile units not co-operating because all the plans that were sanctioned were of small size, or it may be the cupidity of the people who are engaged in this trade or it may be the incapacity of the Government to control these units effectively—the fact remains that the automobile industry in this country has failed to meet the needs of the people. The price that they are charging are abnormally high, the quality that they are supplying is of a very inferior type, and the people have to wait for months and months and at times for years and years to get their requirements. Naturally, therefore, people demand that there should be the types of cars which are good in quality and reasonable in price and manufactured in sufficient quantities so that it may be possible for people to get their requirements. It was because of this that the demand was put forward by the people and the Government had to consider the project. At the same time it is very strange that this particular project was not even included in the Third Plan, and after it was not included in the Third Plan projects suddenly Government began to think about this project. I do not understand why, when the Planning Commission could find some money and material and foreign exchange for permitting expansion of the existing units, they could not find the foreign exchange and material and resources for manufacture of the people's car in the public sector, which was the major demand of the people in this country. At the same time what is done is done and now we are thinking in terms of what is to be the future policy.

The first suggestion that I would like to make is a very effective con-

trol, a stringent control, over the automobile units already existing. They must bring down their prices. If it is not possible for them to bring down these prices because the units are not co-operating, let them be compelled to adopt the new idea which the hon. Minister has recently suggested, namely, the idea of co-operative merger. The other day speaking before the Automobile Association, the hon. Minister is reported to have said that he wants the co-operative merger of the uneconomic units. Here are some units which have proved to be uneconomic, inefficient and incompetent. There is a case, and a sufficiently strong case, to compel these units to accept the policy of co-operative merger or to take other measures which do not involve any resources, and they must bring down the prices.

Secondly, there is the question of quality control, so far as the goods produced in these units are concerned, and the Government should see that the vehicles that come out of these units have got a sufficiently high standard of performance, so that it would be possible for the people to use them with satisfaction.

Thirdly, it is desirable that the needs of the people should be met somehow or other, and in that connection the question of scooters and auto-cycles comes up. These scooters and auto-cycles also have to be made cheaper and attempts have to be made to see that the people are able to buy, in a large number, scooters and motor-cycles, so that it may be possible to meet the requirements of the people up to a particular point. But the most important point is that all these automobile units, whether they are manufacturing cars, commercial vehicles, scooters or motor-cycles, must be compelled to bring down the foreign exchange components of their products. They must rely more and more on indigenous components and schemes will have to be prepared with that aim in view. Here again, strict control and a very

definite and determined policy are necessary. It is desirable that the Government should move in the matter as early as possible, so that it may be possible for the automobile industry to be self-sufficient and self-propelling as early as possible. This is as far as the immediate needs are concerned.

But ultimately, the Government should also come out with a very definite statement that the automobile industry will develop only in the public sector. The private sector has failed to deliver the goods. Therefore, it is no longer a question of experimentation, it is no longer a question of control and it is no longer a question of ideology. It is only a simple question of a wise, prudent policy being followed and it is extremely desirable that any further expansion of the automobile industry should, for all time to come and henceforward, be reserved to the public sector. The clear enunciation of such a policy is desirable because still there are doubts in the country whether the small car project might ultimately go to the private sector. Some of the disclosures that have been made by my friend, Mr Bhupesh Gupta, are rather revealing. I had come here to speak in support of the decision that the Government had taken, but when I found that some of the experts of the Government and some of the Committees that had been appointed had unanimously decided in favour of this particular project and also said that it was quite feasible to have this project, a suspicion had definitely arisen in my mind that the Government in this connection perhaps had succumbed to some of the pressures that were exerted from outside. I would be very happy to find that my suspicion is dispelled. But the case Mr Bhupesh Gupta has made out clearly has left in my mind such an impression.

SHRI C SUBRAMANIAM On  
wrong facts

SHRI ROHIT M DAVE All right. That is what I say. I hope I am wrong. But whatever it is, the fact remains that when the private sector has failed to deliver the goods, has failed to meet the needs of the people and has failed to give quality goods which the people demand and at prices which are reasonable, there is a very strong case for reserving this particular industry to the public sector only and for that purpose, a definite policy statement is necessary. And at the same time another statement is necessary that the Government will take all the steps to see that the needs of the people, under the existing circumstances, are met as best as possible, both regarding prices as well as quality.

SHRI C SUBRAMANIAM Madam, the discussion today is with regard to the decision taken on the small car project and not with reference to the entire automobile industry which came into existence long ago. As far as the Government's decision to defer this project is concerned, it was attacked on two grounds. Firstly, it was attacked that there was no economic justification to defer this project, that this should have been given priority and should have been pushed through. The second attack, I am sorry to say, is based on completely imaginary facts, to say the least about it, and some hon Members went about to charge the Government that they have yielded to pressure from some quarters. And Shri Bhupesh Gupta tried to make these charges eloquently that the Government had succumbed to what he called monopolistic pressure or capitalist pressure, whatever it was.

Madam, as far as the economic justification for this decision is concerned, I would like to deal with that aspect first. For understanding the significance of the decision, it is necessary to give the history of the idea of this car which, the wise Professor Ruthnaswamy protested, should not be called people's car. I completely agree with him because it

[Shri C. Subramaniam.]  
had created an illusion in the minds of the people. When it was said that it was a people's car, everybody thought that everyone of the people in our country was going to have the privilege of possessing a people's car . . .

SHRI BHUPESH GUPTA: Nobody thought so.

SHRI C. SUBRAMANIAM: Anyhow, that seemed to be the impression when Shri Bhupesh Gupta spoke.

THE DEPUTY CHAIRMAN: How do you know?

SHRI BHUPESH GUPTA: Am I such a fool to say that every Indian would have a car?

SHRI C. SUBRAMANIAM: I am glad that he is a little wiser than that. That was the impression that he created.

SHRI BHUPESH GUPTA: I should have thought that you would be a little wiser than that in this matter.

SHRI C. SUBRAMANIAM: Very good.

Madam, with regard to the history of this car, for the first time, the manufacture of a small car was mooted in the Report of the *Ad Hoc* Committee on Automobile Industry. That Committee was appointed in 1959. It submitted its Report in 1960. I want to emphasise this particularly for the benefit of the Mover of the Motion because he has been talking in terms of five and three and a half years to take decisions on this Report. And that Report indicated that there might be a need for a small car and, therefore, wanted an Expert Committee to be appointed for this purpose. Government accepted the recommendation of this *Ad Hoc* Committee and, therefore, appointed what was called the Pande Committee. That Committee was appointed in October, 1960 and it submitted its Report on 29.5.61. It was after that that the consideration

of the project by the Government started. Therefore, to say that the Government slept over the whole project for five years or three and a half years . . .

SHRI BHUPESH GUPTA: Make a correction in your speech. You said that the Pande Committee submitted its Report in May.

SHRI C. SUBRAMANIAM: I thought that the fifth month was May. I said 29.5.61.

SHRI BHUPESH GUPTA: In your statement you said 'June'.

SHRI C. SUBRAMANIAM: 29.5.61. If the fifth month is not May, may I stand corrected? That is how he gets his facts. He hears them wrong, gets them wrong and understands them wrong, if I may say so.

SHRI C. D. PANDE: But purposely. He has a purpose behind it.

SHRI C. SUBRAMANIAM: Madam, then reference was made about a Committee of Secretaries considering this Report. That was considered on 29.7.61 and no decision was taken. But they decided that further discussions were necessary before they arrived at a decision. It is for Mr. Bhupesh Gupta . . .

SHRI BHUPESH GUPTA: The hon. Minister has made a very unfair statement about me. Here, in the statement it is said that the Expert Committee Report was submitted in June, 1961, and now the hon. Minister said that it was in May. I agree May is right. I only asked him to correct it in the statement, and he accuses me saying that I had not read the statement correctly . . .

THE DEPUTY CHAIRMAN: What are you referring to?

SHRI BHUPESH GUPTA: Pande Committee Report.

SHRI C. SUBRAMANIAM: I thought he was correcting my speech.

If he wanted to correct the Statement he should have corrected it during his speech and not interrupt me during my speech when I was giving the correct date.

SHRI BHUPESH GUPTA: You started telling me that I do not know how to read the Statement. Here is the Statement where you say "June".

SHRI C. SUBRAMANIAM: You interrupted my speech when I said "29-5-1961". If you had noticed it and if you wanted to correct the Statement, you could have said it in your speech but now, when I am giving the correct date in my speech, you come and interrupt unnecessarily.

SHRI BHUPESH GUPTA: In my speech too, Madam . . .

SHRI C. SUBRAMANIAM: I seek the protection of the Chair.

SHRI BHUPESH GUPTA: In my speech, Madam, it is quite clear and clarified. In my speech I said that the Statement mentioned "June" but I think it is "May". Now, when you are saying "May", then I say: Correct your statement.

SHRI C. SUBRAMANIAM: There must be decorum even in debates. You cannot get up like this and interrupt me.

SHRI BHUPESH GUPTA: You ought not to say such things.

SHRI C. SUBRAMANIAM: I again seek the protection of the Chair. (*Interruptions.*) I want to continue my speech.

THE DEPUTY CHAIRMAN: Mr. Gupta, please do not interrupt any more.

SHRI BHUPESH GUPTA: Why does he make such a remark, that I do not know how to read, how to understand? This is not a very fair remark to make. I never said such things. The hon. Minister should know decorum in the House.

SHRI C. SUBRAMANIAM: I am going to justify every one of my statements even though the hon. Member cannot justify the statements that he made.

SHRI BHUPESH GUPTA: You justify them; I can well understand that, but you cannot say that I do not know how to read, how to understand things, and so on. Dispute my facts if you like; go all out against them, but do not make personal reflections of the kind. It does not show good taste especially in a Minister.

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, you have had your say. Yes, Mr. Subramaniam, you please carry on.

SHRI C. SUBRAMANIAM: I am glad an experienced Member of this House is giving me the standards . . .

SHRI C. D. PANDE: Communist standard.

SHRI C. SUBRAMANIAM: . . . and if this is the standard, I want to bow before the hon. Member and say I cannot follow this precedent.

SHRI BHUPESH GUPTA: You can never follow because you have a wrong case to make out.

SHRI C. SUBRAMANIAM: The Communist Leader was pleased to say that the Secretaries took the decision that the report should be accepted. On the other hand, the decision was that there should be further discussion over this matter. Therefore, no decision was taken in the Secretaries' Committee.

SHRI BHUPESH GUPTA: Will he place the paper before the House?

THE DEPUTY CHAIRMAN: No more interruptions please.

SHRI BHUPESH GUPTA: I will not allow him. Will he place the paper before the House? (*Interruptions.*)

SHRI C. SUBRAMANIAM: May I ask, Madam, when a responsible Minister makes a statement, is it for any hon. Member to contradict it unless he has positive proof with him? And I challenge him to prove it. (*Interruptions.*)

THE DEPUTY CHAIRMAN: Whatever you want to ask, Mr. Bhupesh Gupta, you can ask at the end of the reply of the hon. Minister.

SHRI C. SUBRAMANIAM: If this is the Communist tactics, I very much deplore these tactics.

SHRI BHUPESH GUPTA: You need not talk about the tactics; produce the paper of the Secretaries.

SHRI C. SUBRAMANIAM: I am not going to produce it for your sake.

SHRI BHUPESH GUPTA: Why do you talk about tactics then?

THE DEPUTY CHAIRMAN: Please carry on with your speech.

SHRI C. SUBRAMANIAM: I am giving facts. Now, as I said, no decision was taken in that Committee's meeting, and further discussion was held with the Planning Commission on 25-9-1961—it is September, the 9th month—and it was decided that the integrated programme of automobile production should be studied. That was the decision taken on 25-9-1961 when discussions were held along with the Planning Commission. And these studies were completed in January, 1962. Even after the integrated programme was worked out, the Planning Commission and the Finance Ministry, both, did not agree to this project on grounds of priorities and foreign exchange. That is how the matters stood when I took over charge of this portfolio. It is after that that I had to put up a note to the Cabinet and the Government had to take a decision. And again I may be corrected if I am wrong, I think the Leader of the Communist Party said that there was some division of opinion in the Cabinet—I do not know

wherefrom he gets this information. I can tell the hon. Member that there was absolutely no difference of opinion in the Cabinet; a unanimous decision was taken and it is on that basis that I made the statement on the floor of the Lok Sabha . . .

SHRI C. D. PANDE: What is the harm?

SHRI C. SUBRAMANIAM: . . . a copy of which was placed on the Table of this House also. It is perhaps on the same par that his imagination is running riot and saying that there were pressures from private industry and that the Government succumbed to them. May I assure you, Madam . . .

SHRI AKBAR ALI KHAN: Do not take him seriously; he is never serious.

SHRI C. D. PANDE: It is all for propaganda.

SHRI C. SUBRAMANIAM: May I tell you, Madam, as far as the Communist Party is concerned, that, even as we god-believers believe that there is some hidden power which shapes the decisions and destinies of men and matters, the Communist Party seems to think that there is a hidden omnipotent power known as the capitalists and that they are capable of influencing everybody. In spite of the fact that they are opposed to capitalists, they seem to think that the capitalists are omnipotent and that they can influence anybody. I can give you this assurance, Madam, that there was absolutely nothing of the kind, not even a representation made to me by anybody, and nobody came and saw me with regard to this small car project, and I do not know whether he would refute even this statement, and when I came to this conclusion that this project anyhow will have to be deferred, I took it with reference to the facts, with reference to the circumstances prevailing, and on that basis the Cabinet also took the decision. That being the case, to charge that some capitalist came and

influenced and that, therefore, this decision was taken is absolutely unwarranted. However eminent Shri Bhupesh Gupta might be, and however small we might be that we would be influenced by all sorts of pressures, I can give him this assurance that as far as this is concerned, there was absolutely nothing, no sort of a representation even. As far as I am concerned I am prepared to say this anywhere. I took the decision on the merits of the case.

SHRI AKBAR ALI KHAN: Mr. Gupta, you better withdraw now.

SHRI BHUPESH GUPTA: Why? I say that during the entire period it was going on. (Interruptions.)

SHRI C. SUBRAMANIAM: It is wrong of the hon. Member to expect from Shri Gupta such a thing.

SHRI BHUPESH GUPTA: You have told him the right thing; I thank you very much for it.

THE DEPUTY CHAIRMAN: You will please continue.

SHRI C. SUBRAMANIAM: Madam, coming to the basis of this decision, it has been pointed out in the statement also that whereas the question of a small car came into the picture as early as September, 1960, when we considered the draft Third Plan, this was not included in the final picture of the Third Plan also. I am sure the Plan was discussed in this House. I have not verified, I do not know whether the Leader of the Communist Group, at that time, stressed that the small car project should be given priority over everything else, that even we had to give up some of the other transport projects, the common transport projects or the power projects or any other industrial or agricultural machinery projects and that the small car project should get the first priority. But what I am saying is this. When we considered the Third Plan—and I had also a part to play, Madam, because, as a member of the National

Development Council, I also played my own part—at no time did we consider that the small car project should get any priority whatsoever with reference to any of the projects we had included in the Third Plan. Therefore, when the Third Plan was finalised, it was understood by everybody that the small car did not get the priority with reference to the projects which had been included in the Third Plan. Now let us look into this to find out if the circumstances have so changed that this small car should get priority and should be included in the Third Plan projects; whether it should be in the private sector or the public sector is a different matter and I shall come to it later on. On a fair consideration of the entire projects which had been included in the Third Plan, I came to the conclusion, the Cabinet came to the conclusion, the Government came to the conclusion, that there is no justification to give this car project a higher priority and include it in the Third Plan. It is not as if further resources have come in sight, and if it is a question of further resources being in sight and giving priority to other projects which had not been included in the Plan, perhaps this might be considered—its inclusion in the Plan—but it is a question of 'within the resources available', and as hon. Members are aware, even in regard to the resources which were indicated in the Third Plan we were getting into difficulties.

Even those resources are not fully in sight. There are difficulties even in gathering those resources. Under these circumstances, whether this could be included as a Third Plan project at the cost of the projects which had been already included in the Third Plan, I do not know what decision Shri Bhupesh Gupta would have taken. But as far as we are concerned, we had no other alternative but to take the decision that this could not get the priority. I would request the members of the Communist Party to consider whether particularly in a socialist set-up particularly in a planned

[Shri C. Subramaniam.]  
economy, this people's car, this small car, should get a high priority.

As a matter of fact, any example which I might quote from any other country would not convince the hon. Members belonging to the Communist Party. Therefore, I tried to find out what would be the priority which would be given to a small car in Russia particularly, after fortyfive years of planned development, revolutionary planned development. What is the position today? What priority do they attach to a small car? Recently in March, 1962 there appeared a statement in the "pioneer". I am sure Shri Bhupesh Gupta would not have failed to notice that statement particularly by a leader whom he respects and whom he worships almost, Mr. Khrushchev. In Ukraine instead of a tractor manufacturing project a small car manufacturing project was put up there. When Mr. Khrushchev visited Ukraine, he condemned this in unmistakable terms. It was published in the "Pioneer" of 8th March, 1962. It has been published in other papers also:—

**"MR. KHRUSHCHEV CONDEMNS CAR  
PRODUCTION**

'Mr. Khrushchev has criticised the switching of a former combine harvester works to producing private cars that Russia could 'still get along without'."

It was a small car, a very popular car for which there was a good deal of demand, but in spite of that he said that it was a wrong thing to do. And in another speech in July with reference to it he said, "Anybody who advocates in the context of the Russian economy the production of a small car"—and I have no doubt that the Russian economy is far in advance of the Indian economy—"... has only an inverted sense of values." I present the statement to the hon. Member on a plate.

SHRI BHUPESH GUPTA: Since you have asked me to clarify that point,

Madam, Deputy Chairman, this question can be rightly posed.

SHRI C. SUBRAMANIAM: I am not yielding, please.

SHRI BHUPESH GUPTA: It has a priority . . .

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, please sit down.

(Interruption by Shri Bhupesh Gupta)

SHRI C. SUBRAMANIAM: Unfortunately, if I may say so, the Indian Communists are not real Communists.

SHRI BHUPESH GUPTA: Yes, Sir. All I can say is that Russia gave priority to small cars. Bigger cars came later.

SHRI C. SUBRAMANIAM: Therefore, this inverted sense of values is being exhibited by the Communist Member today; otherwise he would have condemned even the production of these 20,000 cars; he would have said, "Scrap them. Produce agricultural implements, or, produce various other machineries which should go to strengthen the economy of the country". But, unfortunately, we have to deal with this Communist Party here. But I am sure . . .

SHRI BHUPESH GUPTA: And we have to deal with you.

SHRI C. SUBRAMANIAM: I can tell them that in any order of economy in the present Indian context, a small car project would not have had any priority whatsoever. Therefore, in these circumstances, to come and plead that this should have been given a higher priority at the cost of all the other things—I am sorry I am unable to agree with him. And, therefore, we had to take this decision only. And I still feel, even after hearing Shri Bhupesh Gupta, even after hearing Mr. Patel and others including the learned Prof. Wadia, that this is the only correct decision.

Therefore, today it is a question of how to use the resources to the best

advantage possible. Another illusory argument was put forward by Shri Bhupesh Gupta. After all, the foreign exchange was coming on credit and, therefore, why could we not have utilised it, he asked; we should have invested Rs. 7.5 crores in foreign exchange alone. No doubt, we might have got credit. But most of the things we are getting on foreign credit today. As far as foreign aid is concerned, it is all on credit. We are getting loans from foreign countries. We have already indicated and hon. Members are aware, whatever aid is got from foreign countries, either by way of loan either for this project or for any other project, it is added to the foreign aid which has already been offered to the country. Therefore, if we get Rs. 7.5 crores, no doubt it would have been a loan but it would have been added to the foreign aid already made available. Therefore, to that extent the other aid would have been cut, and that would have affected some of the other projects for which we depended on foreign aid.

SHRI BHUPESH GUPTA: No.

SHRI C. SUBRAMANIAM: There is no question of "No". That is another instance of lack of understanding, if I may say so.

SHRI BHUPESH GUPTA: You do not understand.

SHRI C. SUBRAMANIAM: And then, as if he has gone through everything, he put forward before this House that this foreign exchange could be returned by 11 per cent. export of the material. No doubt, such a proposal was made, but how was it made? It was made on this basis:—

"However, taking into consideration your present difficulties and, at your express request, I propose you herewith the terms of an agreement on a pre-determined percentage of export. Nevertheless it is clear that, in my mind, this percentage constitutes a maximum objective, which is going beyond what it is reasonably possible to foresee under the present circumstances."

And still Mr. Bhupesh Gupta would place before the House that this 11 per cent. was guaranteed. And, therefore, within ten years, he made a calculation, how much foreign exchange he would have earned and, therefore, we would have returned the capital, interest and everything and also made a profit out of that.

It is not only that. Later on what happened was—there is another interesting development—when we further asked them with regard to postponement of the time limit, they came forward with another plea saying:—

"In the original transaction we had hoped to pass on to you some re-conditioned machinery. That re-conditioned machinery has already been disposed of. Therefore, a re-estimate will have to be made of the cost of the project."

Therefore, in spite of this if the hon. Member could get up and plead before this House as a responsible Member, and as a responsible leader of a group, as if he was in possession of all the facts and everybody else was ignorant and to say that to this the Planning Commission had agreed, the Finance Ministry had agreed, all Secretaries had agreed, these are all wrong facts.

Again, even with reference to the credit terms and the export of the 11 per cent. of the manufactured cars, he does not know the full facts. Sometimes half knowledge is worse than ignorance.

SHRI BHUPESH GUPTA: Why did you suppress many of these facts that you have mentioned?

SHRI C. SUBRAMANIAM: That does not mean that you can imagine wrong facts.

SHRI BHUPESH GUPTA: Because you suppressed them.

SHRI C. SUBRAMANIAM: It is not a question of suppression. I have given whatever I thought was necessary to place before this House and on this simple case certain facts, according to the hon. Member, have been suppressed. That does not mean that he can imagine facts. Certainly, that is not the basis on which we in this House should function.

THE DEPUTY CHAIRMAN: Please continue. Five minutes more.

SHRI C. SUBRAMANIAM: Yes, Madam, I shall try to finish within the time limit allotted. Therefore, Madam, it is on this basis that we have proceeded and I have no doubt in my mind that there is a complete economic justification for the decision we had taken in the Cabinet.

The other question was mooted, namely, that the price of the present manufactured cars are very high. From the perusal of the amendments which the Leader of the Communist group has put forward, I find that he seems to be under an impression that the automobile manufacturers are making unconscionable profits. I do not know whether the hon. Member has gone through the report of the *ad hoc* Committee on Automobile Industry. But then he might say even that Report was influenced by some capitalist. But that apart, this is what has been stated on page 20 of the Report. As far as the manufacture of motor cars are concerned, there are costs of bought-out components and materials—indigenous or imported and elements within the automobile factory. It is the elements within the automobile factory which are relevant as far as profits which the manufacturers make. Hon. Members would find in that Report that as far as the Ambassador was concerned, the total ex-factory cost in 1958-59 was Rs. 9,678 out of which bought-out components and materials—indigenous or imported—accounted for Rs. 6,332 and elements within the automobile factory accounted for Rs. 3,346. With reference to

this, this is what is stated in the Report:

"It will be seen from the above table that a relatively small percentage of the total price of a vehicle is in the hands of the automobile manufacturer himself. Thus, if all the services performed within the Hindustan Motors Ltd. were free of any payment, in other words, if the workers had to be paid no wages, if no provision had to be made on account of depreciation of machinery and investors got no returns on account of depreciation of machinery, and investors got no returns for their money whatever the reduction in the consumer price of the Hindustan cars would be about 30 per cent and the vehicle would still be not cheaper than the Morris Oxford is in the U.K. In other words, the price in the U.K. is less than what Hindustan Motors have to spend before they themselves start their manufacturing and assembly operations. We consider it worth emphasizing this point because of somewhat—"

Shri Bhupesh Gupta might listen—

"...distorted ideas on the subject which have public credence."

SHRI BHUPESH GUPTA: Would you say what the Jha Committee said?

SHRI C. SUBRAMANIAM: I thought I read the Jha Committee Report.

SHRI BHUPESH GUPTA: Read the whole thing.

SHRI C. SUBRAMANIAM: I will pass on a copy to the hon. Member.

SHRI BHUPESH GUPTA: That is the Cost Accountants. . . (Interruptions.)

SHRI C. SUBRAMANIAM: Incurrible sometimes. Therefore, it is wrong to think that unconscionable profits are being made in the automobile industry. It might be that they might be making in other industries

but that is a different thing but in the automobile industry it is wrong to say it as prices have been frozen. No increase in price can take place without the sanction of the Government and we have not sanctioned any increase. On the other hand, we forced them to cut down the price by Rs. 200 in spite of the fact that by indigenous components coming into the picture the cost is going up and up. In spite of that, the cost has been reduced on a voluntary basis. We have not granted any increase whatsoever, and to say that on the basis of the present manufacture they are making huge profits and it is for that that they want to block this project, is another piece of imagination.

SHRI BHUPESH GUPTA: I gave you the profits.

SHRI C. SUBRAMANIAM: I can tell you. Do not interrupt me. I have only a few minutes more.

SHRI BHUPESH GUPTA: We will give you a few minutes more.

SHRI C. SUBRAMANIAM: Thank you very much, very good of you. I thought that the Deputy Chairman was the authority here.

THE DEPUTY CHAIRMAN: You have taken many minutes.

SHRI BHUPESH GUPTA: Give him a little more.

THE DEPUTY CHAIRMAN: Mr. Subramaniam, please finish.

SHRI C. SUBRAMANIAM: I have the legislative experience of 10 years—it might be considered that it is a State Legislature after all—but it is a strange experience for me for a Leader of a Party to be interrupting like this, to be a Jumping Jack like this. I have never seen anything like that.

SHRI BHUPESH GUPTA: You have never seen but now you see and enjoy because I have never seen a Minister speaking like that—I have 10

years' experience here—reading a report and not reading the next lines, taking advantage of the fact that hon. Members have not got the book in their hands.

SHRI C. SUBRAMANIAM: The cost of production can be brought down only when one goes to the order of production of 100,000 and 500,000 and adopt what they call the assembly line methods, but in the present context of our economy, whether we can afford it, is a thing which we have to consider. My own humble view is—Mr. Gupta might think otherwise or Mr. Patel—unfortunately there seems to be concurrence of opinion, strange concurrence of opinion between the Swatantra Party and the Communist Party in this regard.

SHRI DAHYABHAI V. PATEL: I do not agree.

SHRI BHUPESH GUPTA: The Swatantra Party was supporting you.

SHRI C. SUBRAMANIAM: It is a strange alliance. Not with regard to public sector and private sector, that is a different thing but with regard to need for this car and with regard to the priority for this car, I found strangely the Swatantra Party and the Communist Party in concurrence.

SHRI DAHYABHAI V. PATEL: I was only criticising the Government. I never asked for priority for the small car.

SHRI C. SUBRAMANIAM: Therefore, the prices cannot be brought down unless the scale of production is revised and new methods are adopted for that purpose, advanced technological methods for the purpose of mass scale production. But apart from that, since there have been some doubts raised and unfortunately we have to be giving assurances about our *bona fides* every time, because again the Leader of the Communist Group doubted about the decision and said that perhaps this decision has been taken for the purpose of handing over this project to the private sector

[Shri C. Subramaniam.]  
manufacturers, I can give him this assurance, I can give this House this assurance that as far as this Government is concerned and as far as we are responsible for the laying down of this policy, if at a future date we have to take up the manufacture of a small car, it is going to be in the public sector. I do not know what would happen if the Party represented by Mr. Patel—I hope it will never happen—comes to power but that is quite a different thing. But as far as this Government is concerned and as long as we are responsible for this, if ever we make this decision, it will be in the public sector and for that we need not have the inducement of the Communist Party to take that decision or to adhere to that decision. It is our own firm decision. It is our policy decision, it is in accordance with our ideology and sometimes the Communist Party seems to think that the Congress Party requires the backing of the Communist Party even for the enforcement of the Congress ideology. I want to make it quite clear that we do not need that support.

SHRI BHUPESH GUPTA: Madam Deputy Chairman, many statements have been made and my facts have been disputed. In all fairness I can at least ask him to please place the relevant documents about the Secretaries' meetings and so on,—which he is in possession of, should be in possession of—in your hands so that you can see by reading the documents fully, whether what I said was right.

SHRI DAHYABHAI V. PATEL: I do not think the Rules of Procedure will provide for anything of this kind but the Rules of Procedure do afford me an opportunity to reply and to clarify the position. Perhaps I have not got as loud a voice as Mr. Gupta and, therefore, perhaps what I said the Minister or the House did not understand clearly. I did blame the Government for wasting a long time on whether they were going to do this project or not but I never pleaded for a small car project in the public sector. I am very clear about this.

SHRI BHUPESH GUPTA: There you are.

SHRI DAHYABHAI V. PATEL: I do say that the Government have been wasting time. The Minister has just come to this House. I came only a few years before him, but I will remind him that Mr. T. T. Krishnamachari, when he was Commerce Minister and when I was the President of the Automobile Association, in Bombay in 1952 he promised that this country would have a full-fledged automobile industry manufacturing everything in 5 years. It is now 10 years and we have not got it. That is what I am blaming this Government for.

SHRI C. SUBRAMANIAM: Yes, if we scrap the private sector and take it up in the public sector, then it would happen immediately.

AN HON. MEMBER: We shall be happy if you do it.

SHRI DAHYABHAI V. PATEL: That shows how the minds of these two people are working. They do not like each other, but their minds seem to be working in the same direction.

SHRI M. RUTHNASWAMY (Madras): Same ideology.

SHRI DAHYABHAI V. PATEL: I do not know what the Minister reads or says. I am sure he has gone abroad, but at least the whole world knows that there are car manufacturers like Austin, Morris and Fiat. They make the baby car and the big limousine under the same proof. If you have an automobile industry, it means that the same car can be made under the same roof; whether you want to do it or not is a different matter; whether you want to regiment our lives as those friends on this side would like it or whether the friends on the opposite side would like to do it and not disclose it, because they would displease the friends who give them loans for the elections is a different matter.

AN. HON MEMBER. They gave you also.

5 P.M.

SHRI DAHYABHAI V PATEL  
If they had given us, we would not have been in this position, my friend

SHRI P RAMAMURTI (Madras):  
The Tatas gave you Rs 25 lakhs. It is there in their accounts

SHRI DAHYABHAI V. PATEL  
How much did they give the Congress? Madam, Deputy Chairman, if I am interrupted like this, it would be difficult and I will have to point out that the Tatas gave the Congress twice what they gave us. What is the use of it?

SHRI BHUPESH GUPTA That is the point

SHRI DAHYABHAI V PATEL  
Apart from whether anyone gave us money or not, I have not pleaded for any one. Mr Bhupesh Gupta was trying to confuse the House by saying that I was pleading for Mr Birla. I have never mentioned Mr Birla. I only mentioned the practical way and the businesslike way of doing things. I said we have got 3 plants manufacturing cars. Look at the plant which is capable of doing this job and let them do it, instead of your wasting money. I am not saying that you should allow the Birlas or anybody else. However if you are thinking of making the small car, I am sure that they will do it much better and cheaper. Madam, here we have got the examples which I have already mentioned in this House, but the other side has nothing to say in answer.

There was a big scandal raised about the LIC and the Mundhra deal and it was stated that the Government intended to nationalise things that it was the policy of the Government to nationalise. Therefore, you took over the British India Corporation. Only to provide a defeated Minister with a big job you now denationalise it and you are

giving the British India Corporation to a private person who does not hold 3 per cent of the shares. Government is acquiescing in this thing. This Government has got no clear policy. That is what I am accusing the Government of. If you want to nationalise industries, say so boldly and clearly. This Government is neither fish, fowl nor good red—I will not say herring as they would say—nor good red Communist. Come out into the open and prove what you are. This is what I am asking you. And in the matter of their car policy also the Government have done the same thing. The Government is just dilly-dallying. We do not require three and a half years for these reports. You can read all this from any text-books on automobiles, which are available at very small cost anywhere all over the world where there is an automobile industry. Why do you require your government officers to come and write these reports?

THE DEPUTY CHAIRMAN All this you have said. Have you got anything fresh to say?

SHRI DAHYABHAI V PATEL  
I did not say it, Madam, and I must say this in answer to what the hon Minister said and when the Minister has got something to say about my Party, I must say something in defence of my Party. Madam, we are not discussing the Swatantra Party. Why did the hon Minister mention the Swatantra Party? Well, since the Minister mentioned the Swatantra Party, I must point out to him the difference between what the ideology and the working of the Swatantra Party is and would be and what the Congress Party is doing. He says between Mr Bhupesh Gupta and our Party, there is not very much difference, in action. And he says that I was supporting Mr Gupta. The position is exactly the opposite. Madam, and that is what I want to clarify and I am trying to clear the confusion that is there in the mind of the Minister. The hon Minister was very clear when he was making his reply, except when he mentioned the Swatantra Party.

[Shri Dahyabhai V. Patel.]

I am grateful to the Minister for clarifying the position and explaining to the House in such detail what the Government is trying to do and also because the Government have finally seen wisdom and have dropped this point. I hope the hon. Minister had himself contributed to this decision by his practical approach. I, however, hope that he will not make such statements as will commit the Government for all time in the future. It is an admitted fact that the private sector is going to do things better, cheaper and more efficiently. Why should the Government take over all these things, when they are not able to manage even what they have already taken over? They have already got too much. Is it with a view to providing fat jobs for their officers? Madam, their I.C.S. officers act even contrary to the rules of service which require them not to take up jobs for at least 2 years after their retirement. But you have examples and I can give you names. Men start taking jobs even before their retirement.

AN. HON. MEMBER: Mr. H. M. Patel.

SHRI DAHYABHAI V. PATEL: Why not Mr. H. V. R. Iengar my dear friend?

AN. HON. MEMBER: Or Mr. Lobo Prabhu.

SHRI DAHYABHAI V. PATEL: Mr. Iengar, even before he retired, started negotiating for a job. It is against the rules of service. Mr N. R. Pillay, what is he doing? And if Mr. H. M. Patel has also done it, it is wrong. I am not defending Mr. Patel if whatever he has done is wrong. But what I say is this. This car project or the manner of the Government's nationalising industries, I doubt whether it is nationalising or it is only to provide fat jobs for their officers. If that is so, then the Congress policy is wrong. Let them say, "We are Communists and from that point of view we want to do it." Do not try to say, "We are not following Mr. Bhupesh Gupta". Come out

clearly with what you want. As for these reports that you have got from your officers, the Jha Committee Report and this report and that report, what else can these officers look for in the future? You have put them in such a state. Therefore, take the reports with a grain of salt. See the writing on the wall and see what is practically happening before you and act accordingly.

THE DEPUTY CHAIRMAN: There are fourteen amendments here.

SHRI DAHYABHAI V. PATEL: You can put them all together, Madam.

THE DEPUTY CHAIRMAN: Amendment No. 2 is disallowed. And they all stand in the name of Shri Bhupesh Gupta.

SHRI BHUPESH GUPTA: Madam, I press all my amendments. because the manner in which the Swatantra Party has supported the Congress decision shows that this decision is entirely wrong.

THE DEPUTY CHAIRMAN: I am putting the other thirteen amendments to vote, deleting amendment No 2 which as I said, has been disallowed.

The question is:

1. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House regrets that the implementation of the project for manufacture of small cars in the public sector should have been indefinitely deferred and indeed virtually given up.'"

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

3. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that the non-implementation of the Project would help the monopoly

**grip in the automobile industry to further grow''**

*The motion was negatived*

THE DEPUTY CHAIRMAN, The question is

4 "That at the end of the motion, the following be added, namely —

'and having considered the same, this House is of the opinion that the non-implementation of this Project does not take into account the need for bringing down the prices of cars and of meeting the requirements of people who are not in a position to buy the present highly priced cars such as produced by Hindustan Motors, Premier Automobiles and Standard Motors''

*The motion was negatived*

THE DEPUTY CHAIRMAN The question is

5 "That at the end of the motion, the following be added, namely —

'and having considered the same, this House cannot appreciate the economic arguments contained in the statement and is of the opinion that resources could be found through necessary adjustments and alternative arrangements''

*The motion was negatived*

THE DEPUTY CHAIRMAN The question is

6 "That at the end of the motion, the following be added, namely —

'and having considered the same, this House is of the opinion that while announcing the abandonment of this Project of small cars, Government has no policy to reduce the prices of the cars produced by Hindustan Motors, Premier Automobiles and Standard Motors, thereby controlling on the one

hand high profits and on the other making these cars available to a larger section of the buyers''

*The motion was negatived*

THE DEPUTY CHAIRMAN The question is:

7 "That at the end of the motion, the following be added, namely.—

'and having considered the same, this House is of the opinion that the statement is not at all convincing and leaves considerable room for speculation and doubt as to the reasons for this negative decision on the part of Government''

*The motion was negatived.*

THE DEPUTY CHAIRMAN The question is:

8 "That at the end of the motion, the following be added, namely —

'and having considered the same, this House regrets that the statement does not mention the various representations which have been made by the private sector in the automobile industry in our country with a view to securing the abandonment of this Project''

*The motion was negatived*

THE DEPUTY CHAIRMAN The question is

9. "That at the end of the motion, the following be added, namely—

'and having considered the same, this House is of the opinion that some of the economic and physical difficulties could be met easily by restricting production of high priced cars in our country by the existing undertakings in the private sector and by tapping further resources from the high profits that these concerns are making''

*The motion was negatived*

THE DEPUTY CHAIRMAN: The question is:

10. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that the statement overlooks the fact that the production of the automobiles in the private sector industries as at present also involves foreign exchange expenditure and that such foreign exchange expenditure could be reduced in order to find resources for the implementation of the Project for the manufacture of small cars.'"

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

11. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that before postponement and abandonment of the projects in the public sector on account of foreign exchange shortages, efforts should be made by Government to reduce foreign exchange allocations for the private sector industries thus transferring such resources from the private sector quota to the public sector quota.'"

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

12. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House is of the opinion that a joint committee of the members of both the Houses of Parliament

should be appointed to examine and review the circumstances, the reasons and all other material factors that have led to the decision by Government to postpone indefinitely the implementation of the project for the manufacture of small car'."

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

13. "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House records its strong objection against the Ministry concerned for not taking proper action for the implementation of the project in time and allowing the whole thing to come to the present position'."

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The question is:

14 "That at the end of the motion, the following be added, namely:—

'and having considered the same, this House records its strong protest that the non-official members or Parliament belonging to both sides of the House were not consulted before the Government took its decision for postponement'."

*The motion was negatived.*

THE DEPUTY CHAIRMAN: The House now stands adjourned till 11 A.M. tomorrow.

The House then adjourned at four minutes past five of the clock till eleven of the clock on Tuesday, the 28th August, 1962.